

FREQUENTLY ASKED QUESTIONS

Is the Fund Sharia Compliant?

Yes, the fund is compliant with Islamic Sharia principles.

What is the Fund's currency?

The Fund's currency is in KWD however the fund may hold investments denominated in USD and other GCC currencies.

What is the Fund's objective?

The Fund provides clients with access to the GCC Islamic Equity market through a low minimum investment, offering an attractive medium- to long-term return potential for investors seeking capital appreciation through a diversified exposure.

Who are the Fund Manager and service providers?

Fund Manager	Gulf Capital Investment Company "InvestGB"
Custodian	Gulf Custody Company (K.S.C.C.)
Controller	Gulf Custody Company (K.S.C.C.)
Registrar	Gulf Custody Company (K.S.C.C.)
Financial Auditor	Al Nisf and Partner – BDO
Internal Sharia Auditor	Al Mashora & AL Raya for Islamic Financial Consulting
External Sharia Auditor	Bait Altadqiq Al Shariah
Selling Agent	Gulf Bank (K.S.C.P.)

Who is the target investor base?

Open to Kuwaiti and non-Kuwaiti individual, residents, and non-residents.
 Kuwaiti and foreign institutions and corporations located inside or outside Kuwait.

What financial instruments will the fund invest in?

The fund will mainly invest in the GCC Islamic Equities. The fund may also invest in sovereign or corporate Sukuks issued or guaranteed by GCC countries as well as and in other licensed Islamic Equity and Islamic Money Market funds that are regulated or approved by the CMA.

What is the minimum investment holding period for the investor?

There is no minimum investment holding period hence allowing investors the flexibility to add or withdraw funds from the fund on a weekly basis based on their needs.

What are the redemption and subscription periods for this fund?

Redemptions and subscriptions requests into the fund are processed on a weekly basis.

What is the minimum subscription amount?

The minimum subscription amount is KD 5,000 with increments of KD 100 thereafter.

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What is the minimum redemption amount?

The minimum redemption amount is KD 100.

Are early redemptions allowed?

Early redemption is permitted if a unitholder redeems their units **within two weeks** from the subscription date, subject to payment of the early redemption fee which is 0.50% of the redemption amount. Such fee will be deducted from the redemption proceeds and paid directly to the Fund.

Are partial redemptions allowed?

Partial redemptions **are** allowed, provided that the value of the remaining units after redemption does not fall below KWD 5,000.

What are the respective deadlines for submitting redemption and subscription applications?

Redemption and subscription requests are accepted throughout the week, up **until Wednesday preceding the valuation** day. The deadline period closes on **Wednesday at 4pm**. Any application received after the cutoff time will be postponed to next week's NAV calculation.

What are the fund fees?

Investment Controller's Fees paid quarterly	0.0625% of the Fund's NAV with a KD 3,000 minimum charge
Custodian's Fees paid quarterly	0.0625% of the Fund's NAV with a KD 3,000 minimum charge
Share Registrar	KD 1,000 yearly
Management Fees	up to 1.25% of the Fund's NAV
Subscription Fees	up to 0.50% of the subscription amount
Early Redemption Fees	0.50% of the redemption amount
Redemption Fees	No Fees
Performance Fees	10% of the Fund's return in excess of the annual return target of 8%

The investor receives their return **net** of all fees listed in the table above, including External Auditors and External Sharia Auditors.

When is the fund's NAV valued and calculated?

- The Fund's valuation falls on Thursday of every week. If the valuation day coincides with an official holiday in Kuwait, **the immediately preceding business day** shall be deemed the Valuation Day.
- The weekly NAV will be posted on InvestGB's and Gulf Bank's website as well as sent by email to Relationship Managers.

When are investors redeemed amounts paid?

The fund manager has the flexibility to process payments within a maximum of 6 business days following the valuation day.

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How will the investors receive their returns?

The investors receive their return **net of fees**, which is accumulated on a weekly basis and reflected in the NAV. The investors **realize their return upon redeeming** their units at the corresponding NAV.

Can the redemption be postponed?

Redemptions may be postponed until the following Dealing Day or the following Redemption date if:

- The total percentage of all redemption requests from unit holders on any transaction day or redemption date reaches 10% or more of the fund's net asset value.
- However, the manager is obligated to meet the redemption requests that are **less than 10% of the NAV on a pro-rata basis**, and the portion of redemption requests exceeding 10% of the NAV will be postponed until the next transaction day or the upcoming redemption date.

Can subscription applications be rejected?

The fund manager may suspend the acceptance of subscription requests for a period they deem appropriate if it is in the best interest of the fund and the unit holders.

Will the fund distribute dividends and profits?

The Fund Manager may, at its discretion and in the best interests of the Fund and its unitholders, distribute all or part of the Fund's returns on a semi-annual and/or annual basis.

Distribution details will be announced through the Fund Manager's and Subscription Agent's websites and may be made in cash, in kind, bonus units, or any combination thereof.

However, the Fund Manager has the right not to distribute all or any portion of the Fund's returns and instead reinvest such returns in investment opportunities that are consistent with the Fund's investment policy.

What documents are required to subscribe/redeem into the Fund?

- InvestGB KYC (for new clients)
- Client Risk profile
- A copy of the civil ID or passport of the applicant for subscription, for natural persons requesting subscription.
- A copy of the commercial registry and the license issued by the Ministry of Commerce and Industry for all legal entities such as companies/institutions, as well as a copy of the certificate of authorized signatories attached to the civil IDs of the authorized signatory, the license issued by Ministry of Commerce and Industry for sole proprietorship and the civil ID of the owner of the enterprise as well as the identification documents authenticated/verified by the authorities in Kuwait for institutions and companies established in other countries.

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- The subscription value should be paid in full in the bank account opened in the name of the Fund with Gulf Bank. A copy of the transfer as proof, should be submitted along with the subscription application.
- The subscription/redemption applications must have complete information and signatures
- **A soft or hard copies of the Article of Association and Prospectus should be provided to clients**

What is the method of paying the subscription amount?

- The method of paying the subscription amount is by bank transfer only.
- It is not permissible to subscribe to the Fund with in-kind shares, and subscription amounts in cash are not accepted.

Name of Bank	Gulf Bank
Beneficiary	Al Bader Islamic GCC Equity Fund
Account number	1000146090
IBAN	KW46GULB00000000000000001000146090
SWIFT	GULBKWKW
Description	Subscription into Al Bader Islamic GCC Equity Fund and add the Subscriber's InvestGB client account number

How to subscribe into the fund?

- You can subscribe by visiting any Gulf Bank branch or InvestGB headquarters located in Hamra tower on floor 37.
- It is important to note that any signed redemption or subscription application that has been sent to the Fund Manager or Selling Agent for process cannot be withdrawn.

What are the Risks associated with the Fund

Prospective investors should carefully consider the risk factors described in this Section, together with any additional risks disclosed in the Fund's other offering documents, before making an investment decision. Investors are advised to independently assess these risks and obtain professional legal, financial, tax, and investment advice where appropriate.

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The value of an investment in the Fund may be subject to significant volatility due to the nature of the Fund's underlying investments. There is no guarantee by the Fund Manager against fluctuations in the value of the Units. Investors should be aware that the Net Asset Value (NAV) of the Fund may increase or decrease as a result of various market factors affecting the Fund's assets.

1- Market, Economic and Political Risks:

The Fund's investments are exposed to economic, market, and political conditions. Accordingly, the value of the Units and the returns generated by the Fund may increase or decrease as a result of changes in economic conditions, market developments, or political events.

2- Investment Risk:

There can be no assurance that the Fund will achieve its investment objective. The Fund's investments are subject to normal market fluctuations and the risks inherent in investing generally. Accordingly, there is no guarantee that the value of an investment in the Fund will appreciate.

3- Currency Risk

The Fund's investments will primarily be denominated in Kuwaiti Dinar (KWD), although it may also invest in assets denominated in other GCC currencies. Currency risk may arise where subscriptions are made in a currency other than the Fund's designated base currency, as exchange rate fluctuations may result in an increase or decrease in the value of the Units. In addition, fluctuations in profit rate levels may adversely affect the value of the Fund's investments and investors' returns.

4- Liquidity Risk:

Liquidity refers to the speed and ease with which an asset can be sold and converted into cash. Certain assets may become less liquid than others, making them difficult to sell quickly or at an acceptable price. The disposal of certain investments may also be restricted due to legal or regulatory constraints, the nature of the investment, or the absence of willing buyers.

5- Sharia Compliance Risk:

The Fund invests exclusively in investments that comply with the principles of Islamic Sharia. However, an investment may subsequently cease to be Sharia-compliant due to changes in its underlying characteristics or applicable Sharia rulings. In such circumstances, the Fund may be required to dispose of the investment, potentially at an unfavorable price, or forego future investment gains. Furthermore, any income subsequently determined to be non-Sharia-

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compliant must be purified by donating such amounts to charitable causes, which may adversely affect the Fund's performance and the Net Asset Value per Unit.

6- Legal and Regulatory Risks:

Changes in applicable laws, regulations, tax rules, or the broader regulatory framework may adversely affect the profitability or even the legality of certain investments, particularly in emerging markets. In addition, the Fund's rights against a defaulting counterparty may be limited to contractual remedies under the relevant investment documentation. The Fund may encounter difficulties in enforcing legal rights or obtaining judgments against counterparties, particularly where legal proceedings must be initiated or enforced in foreign jurisdictions. Investors should also note that the Fund's Offering Memorandum and Bylaws contain legal terms and conditions that may affect their rights and interests.

7- Deployment Risk:

There is no assurance that the Fund will be able to deploy all subscription proceeds promptly or efficiently in accordance with its investment strategy. Any delay or inability to fully invest the Fund's assets may adversely affect the Fund's expected performance and the returns available to investors.

Limitation of Liability of the Fund Manager

The Fund Manager shall not be liable for any claims, losses, damages, or missed investment opportunities suffered by any investor except where such losses arise directly from the Fund Manager's gross negligence, willful misconduct, fraud, or breach of applicable laws, regulations, the Executive Bylaws, the rules or instructions of the Capital Markets Authority, or the Fund's constitutional documents. Neither the Fund Manager nor any of its directors, officers, employees, agents, or affiliates shall be liable for any losses incurred by Unitholders in connection with their investment in the Fund, except to the extent resulting from any of the foregoing circumstances.

Notice:

The offering terms and conditions in the Articles of Association and the Subscription Application Form apply.

Investors must read and understand the contents of the Articles of Association and Prospectus and should consult a licensed person in accordance with the law and specialized in providing advice on the contents of the Articles of Association and the risks related to the investment before making the decision to subscribe.

Prior to investing in any issue shares, please refer to the downloadable/printable version of the Articles of Association relating to the Fund on the Fund Manager's website (www.investgb.com).

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These Frequently Asked Questions do not contain all the information that prospective investors should consider before deciding to invest in the Fund and do not purport to be complete. The Capital Markets Authority and all other regulatory bodies in Kuwait assume no responsibility whatsoever for the contents and accuracy of this document or any damages resulting from relying on any part of this document.